

cate giving the net value of all policies in force in the company on the thirty-first day of December of the preceding year, which calculation of the net value of the policies in force shall, for all policies issued on or before the thirty-first day of December, in the year 1902, be based upon the "American Experience Table of Mortality," and four and one-half per cent. interest per annum; and for all policies issued subsequent to said thirty-first day of December, in the year nineteen hundred and two, and before the thirty-first day of December, in the year nineteen hundred and eighteen, upon the actuaries table of mortality, and four per cent. interest per annum; and for all policies issued subsequent to the thirty-first day of December, in the year nineteen hundred and eighteen, upon the American Experience Table of Mortality and three and one-half per cent. interest per annum; provided, that the Insurance Commissioner may, upon the request of any company, cause all policies of such company issued on or after the first day of January, nineteen hundred and nineteen, to be valued upon the American Experience Table of Mortality and three and one-half per cent. interest per annum, in accordance with the select and ultimate method which provides that the rate of mortality during the first five years after the issuance of said contracts, respectively, shall be calculated according to the following percentages of the rates shown by the American Experience Table of Mortality, to wit: first insurance year, fifty per centum thereof; second insurance year, sixty-five per centum thereof; third insurance year, seventy-five per centum thereof; fourth insurance year, eighty-five per centum thereof; and fifth insurance year, ninety-five per centum thereof; and provided, further, that any policies which contain any promise or agreement for the purchase of the policy at any date prior to its maturity or its termination by death for a sum in excess of the value of the policy at such date determined according to the standard of valuation herein prescribed for such policy, then and in every such case the value of policies containing such promises and agreement shall be calculated in such manner and upon such assumption as to rate of interest and mortality, that the value of the policy so calculated shall at no time be less than the amount stipulated therein, to be paid upon surrender of the policy at the date then attained, and for the purpose of such valuation the standard adopted by the company for the valuation of such obligation may, if adequate, be employed; and in the determinations of the values of the policies, the calculations may be made either seriatim or of the policies in groups, using approximate averages for fractions of the year, and the net value of a policy at any time shall be taken to be the net present value of the attained age upon the basis adopted for the valuation as above provided of the sum insured less the present value determined upon the same basis of the future net premiums payable upon the policy; and in all certificates, of valuations issued by the insurance commissioner or accepted by him under the provisions of sub-section third, the basis upon which the valuation has been made shall be expressed.